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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

MODIFICATION OF MAIL CLASSIFICATION SCHEDULE REGARDING FIRST-CLASS MAIL SINGLE-PIECE RESIDUAL PRICE TABLE

Docket No. MC2013-30

NOTICE OF THE UNITED STATES POSTAL SERVICE OF MINOR CLASSIFICATION CHANGES RELATED TO FIRST-CLASS MAIL SINGLE-PIECE RESIDUAL PRICE TABLE (January 8, 2013)

Pursuant to 39 C.F.R. §§ 3020.90 and 3020.91, the United States Postal Service hereby gives notice of minor changes in classification established by the Governors. As one result of the recent market-dominant price change filing (Docket No. R2013-1), a new price table is being made available for First-Class Mail residual single-piece letters, effective January 27, 2013. "Residual" pieces are those pieces that remain after the mailer completes presorting a mailing. They typically are pieces which lack a complete or correct address, and therefore do not qualify for the First-Class Mail Presort prices.

The new price table includes a 48-cent price for one-ounce and two-ounce residual pieces. Recent feedback from some mailers suggests uncertainty about whether the new 48-cent price applies to mailings of only two-ounce residual pieces. As the Postal Service noted in Docket No. R2013-1, the 48-cent price was designed to allow mailers to pay one price for a mixed mailing of one-ounce and two-ounce pieces, so that the mailer would not need to separate the one-ounce pieces from the two-ounce

pieces.¹ The 48-cent price does not apply to mailings of only two-ounce pieces.² The MCS additions clarify the new price table to make it clear in the MCS that the new price table is limited to mixed mailings of one-ounce and two-ounce pieces. This MCS clarification follows the approach of Docket No. R2013-1, in which the 48-cent price was developed assuming that the mailing consisted of mostly one-ounce pieces (which would otherwise pay 46 cents), mixed with some two-ounce pieces (which would otherwise pay 66 cents).

The Postal Service therefore submits to the Commission clarifications to the Mail Classification Schedule, as shown in the following page. The Postal Service believes that the changes are consistent with 39 U.S.C. § 3642, and should be incorporated by the Commission into the MCS.

Respectfully submitted,

UNITED STATES POSTAL SERVICE By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Pricing and Product Support

David H. Rubin

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1135 (202) 268-2986, Fax -6187 david.h.rubin@usps.gov
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¹ Docket No. R2013-1, United States Postal Service Notice of Market-Dominant Price Adjustment, at 15-16 (October 11, 2013).

² Those pieces would pay the regular single-piece two-ounce price, which will be 66 cents effective January 27, 2013. This approach is consistent with the final Domestic Mail Manual rulemaking for the market-dominant changes. 77 Fed. Reg. 75362, 75363 (December 20, 2012).

Edits to Mail Classification Schedule (Additions are underlined.)

PART A	MARKET DOMINANT PRODUCTS	
* * * *		
1001	Market Dominant Product Descriptions	
1100	First-Class Mail	
* * * * *		
1105	Single-Piece Letters/Postcards	
* * * * *		
1105.5	Prices	
* * * * *		

Mixed Single-Piece Residual Machinable Letters

Maximum Weight (ounces)	Residual Machinable Letters (\$)	
1	0.48 ¹	
2	0.48 <u>1</u>	
3	0.86	
3.5	1.06	

1. This price applies only to mixed mailings of residual one-ounce and two-ounce machinable letters. Single-Piece Machinable Letter prices apply to Residual mailings for which one-ounce residual letters are separated from two-ounce residual letters.